



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

May 25, 2005

Patrick Michaud
P.O. Box 192
Cathedral City, California 92235

Subject: Incomplete Notice of Intention to Commence Small Mining Activities,
Patrick Michaud, Michaud #1-4 Mine, S/053/075, Washington County,
Utah

Dear Mr. Michaud:

The Division received your incomplete Notice of Intent (notice) and initial permit fee payment on February 24, 2005, concerning your proposed Michaud #1-4 small mine, located in NW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 35, T41S, R14W, SLBM, Washington County, Utah, to disturb less than 5 acres. To complete the notice, a map must be submitted that allows the Division to accurately locate the site. The map must be at a sufficient scale to show the mine, the Division recommends a minimum scale of 1"=500'.

On November 15, 2004 a letter was received from Utah Division of State History recommending that a cultural resource survey for the project be completed. The Division recommends you complete a cultural resources survey prior to beginning operations. The BLM may have additional survey information.

Once the Division finds your notice complete a Reclamation Contract must be signed and a reclamation surety approved **prior to commencing mining activities**. The reclamation surety amount is \$17,000 for a less than 5 acre project (\$5000 for the first acre and \$3000 for subsequent acres). The plan did not specifically address the total acreage to be disturbed during mining, therefore the bond is calculated on a projected 5-acre disturbance. The reclamation surety will be reviewed periodically to ensure it remains adequate.

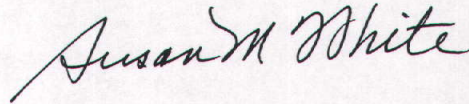
No further mining related disturbances can be created until the surety is received and approved, and you have received written acceptance from this office as well as from the BLM. Failure to post a bond and furnish a reclamation contract could result in an order to reclaim the disturbances which now exists on the site.

Patrick A. Michaud
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The reclamation surety can be submitted in one of several forms, including an irrevocable letter of credit, a certificate of deposit, and a surety bond. Please contact Beth Ericksen at (801) 538-5318 or e-mail bethericksen@utah.gov to obtain the current forms, or you may obtain them at www.ogm.ut.gov. If you acquire a certificate of deposit as your surety, please have your banking office contact Beth Ericksen regarding the specifics of setting up the account. Before signing the documents, please fax a "draft" copy to Beth at (801) 359-3940.

Thank you for your cooperation to help finalize this permitting action. In reply, please refer to file number S/053/075.

Sincerely,

A handwritten signature in cursive script that reads "Susan M. White".

Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

SMW:dj:jb
cc: Rody Cox, BLM, St. George FO
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